

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF DELPHI  
CARROLL COUNTY, INDIANA

January 1, 2015 to December 31, 2015



**FILED**  
05/05/2017



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i> .....	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	10
Notes to Financial Statement .....	11-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	20-30
Schedule of Leases and Debt .....	31
Schedule of Capital Assets.....	32
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance .....	34-35
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	38
Notes to Schedule of Expenditures of Federal Awards .....	39
Schedule of Findings and Questioned Costs .....	40-43
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	46
Corrective Action Plan .....	47
Other Reports.....	48

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Leanne Aldrich	01-01-12 to 12-31-19
Mayor	Randy Strasser Shane M. Evans	01-01-12 to 12-31-15 01-01-16 to 12-31-19
President of the Board of Public Works and Safety	Randy Strasser Shane M. Evans	01-01-12 to 12-31-15 01-01-16 to 12-31-19
President of the Common Council	Richard Traeger Carolyn K. Pearson	01-01-15 to 12-31-15 01-01-16 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF DELPHI, CARROLL COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of the City of Delphi (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (Indiana Code 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 to the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2015.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Matters***

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

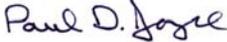
*Other Information*

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated February 27, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

February 27, 2017



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE CITY OF DELPHI, CARROLL COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Delphi (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated February 27, 2017, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 that we consider to be a material weakness.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*  
(Continued)

**Compliance and Other Matters**

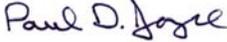
As part of obtaining reasonable assurance about whether the City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

**City of Delphi's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

February 27, 2017

(This page intentionally left blank.)

## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

CITY OF DELPHI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
GENERAL	\$ 5,145,994	\$ 2,334,765	\$ 3,560,966	\$ 3,919,793
MVH	224,346	132,659	125,840	231,165
LOCAL ROADS AND STREETS	28,425	16,263	17,373	27,315
AIRPORT DONATIONS	4,054	150	-	4,204
EDIT	271,534	144,046	87,104	328,476
ANIMAL CONTROL	1,224	-	-	1,224
OPERATION PULLOVER	231	-	-	231
SOLID WASTE	110,435	148,467	122,142	136,760
HIGHWAY RELINQUISHMENT FUND	741,800	250,000	7,800	984,000
COMMUNITY BLIGHT GRANT	-	-	1,880	(1,880)
TLEO	7,198	2,659	5,552	4,305
STELLAR FACADE RETAINAGE FOR KEMNA CONST.	17,413	143,367	-	160,780
RAINY DAY FUND	250,300	-	99,512	150,788
LEVY EXCESS FUND	18,858	-	-	18,858
FIRE PROTECTION TERRITORY	78,228	162,356	132,046	108,538
CUMULATIVE CAPITAL IMPROV	11,111	26,433	34,167	3,377
NON REVERTING PARK FUND	49,929	7,683	15,768	41,844
FIRE TERRITORY EQUIPMENT FUND	1,252,557	263,634	-	1,516,191
POLICE PENSION	62,845	13,343	13,236	62,952
STELLAR - OWNER OCCUPIED RETAINAGE	9,782	-	9,782	-
CITY COURT	1,184	9,739	9,401	1,522
RIVERBOAT TAX	78,283	-	54,886	23,397
STELLAR OPERA HOUSE CONSTRUCTION RETAINAGE	62,529	123,224	52,615	133,138
DNR INTERP SITE GRANT	147	-	-	147
COURT COUNTY SHARE	-	924	924	-
HOUSING DEVELOPMENT	18,024	-	-	18,024
FLOOD CLEAN UP	1,003	-	-	1,003
SPECIAL PROJECT	6,608	-	-	6,608
SIDEWALK CURB SHARE PROG	20,797	-	-	20,797
HISTORIC TRAIL GRANT	9,994	-	-	9,994
MAIN STREET NON-REVERTING	4,621	-	-	4,621
DARE NON REVERTING	17	-	-	17
IN-DOOR REC	183	-	-	183
PARK WABASH HERITAGE FUND	1,531	-	-	1,531
RAILROAD CLEANUP	1,045	-	-	1,045
FAA GRANT	6,273	-	-	6,273
FAA GRANT AIP 10	2,233	-	-	2,233
FAA GRANT AIP12	(44,433)	61,290	51,300	(34,443)
SRO - STUDENT RESOURCE OFFICER	8,375	60,000	52,154	16,221
HHH WATER	(2,058)	11,044	8,986	-
HHH WASTE	(51,284)	115,427	64,143	-
FREEDOM BRIDGE	(96,541)	125,053	40,987	(12,475)
FLOODGATE PROJECT	96,669	-	5,770	90,899
LEVEE CERTIFICATION	66,744	-	-	66,744
INTER URBAN TRAIL	61,239	429	83,258	(21,590)
STELLAR - EXCHANGE WATER CONTRACT	-	-	968,697	(968,697)
WATER EXCHANGE - RETAINAGE	-	87,839	-	87,839
SAFE ROUTES - PLANNING	-	4,534	4,534	-
SAFE ROUTES - CONSTRUCTION	(1,432)	1,432	-	-
AIRPORT ROTARY FUND	66,225	220,324	187,425	99,124
PAYROLL	15,579	1,260,293	1,262,862	13,010
STELLAR PROGRAM MANAGEMENT	-	102,055	113,556	(11,501)
STELLAR OWNER OCCUPIED HOUSING	(13,921)	33,781	31,220	(11,360)
STELLAR - FACADE MASTER PLAN	(84,024)	1,592,850	1,512,770	(3,944)
STELLAR PARKING	(6,700)	6,700	-	-
GATEWAY - PHASE ONE	(85,545)	87,185	1,640	-
GATEWAY - PHASE TWO	(31,904)	505,027	532,364	(59,241)
STREET SCAPES - PHASE ONE	(33,090)	-	42,115	(75,205)
STREET SCAPES - PHASE TWO	(19,806)	646,361	647,420	(20,865)
STELLAR OPERA HOUSE	(95,713)	3,194,919	3,161,323	(62,117)
SEWAGE OPERATION	329,115	1,344,228	1,460,447	212,896
SEWAGE SINKING	6,161	6	-	6,167
SEWER CONST. BOND OF 2013	1,167,947	-	732,817	435,130
SEWER 2013 DEBT SERVICE RESERVE	141,000	-	-	141,000
SEWER SINKING 2013	29,707	56,195	76,369	9,533
SEWAGE CAPITAL IMPROVEMENT	125,713	609,832	16,371	719,174
WATER OPERATING	149,736	1,353,604	1,186,917	316,423
CUSTOMER DEPOSIT	54,187	8,950	7,460	55,677
WATER DEBT RESERVE	167,636	-	-	167,636
WATER UTILITY CONSTRUCTION	435,562	-	110,450	325,112
WATER CONST. BOND OF 2013	1,659,233	-	490,337	1,168,896
WATER 2013 B&I	96,808	87,160	119,155	64,813
WATER 2013 DEBT RESERVE	196,000	-	-	196,000
WATER BOND & INTEREST	157,437	2,434,073	2,429,141	162,369
BOOSTER STATION	15,732	2,174	-	17,906
<b>Totals</b>	<b>\$ 12,981,090</b>	<b>\$ 17,792,477</b>	<b>\$ 19,752,982</b>	<b>\$ 11,020,585</b>

The notes to the financial statement are an integral part of this statement.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

*B. Basis of Accounting*

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

*Taxes.* Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

*Licenses and permits.* Amounts received from businesses, occupations, or non-businesses that must be licensed before doing business within the government's jurisdiction, or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Intergovernmental receipts.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

*Charges for services.* Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

*Fines and forfeits.* Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

*Utility fees.* Amounts received from charges for current services.

*Other receipts.* Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

**E. Disbursements**

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

*Personal services.* Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

*Debt service - principal and interest.* Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Capital outlay.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Utility operating expenses.* Amounts disbursed for operating the utilities.

*Other disbursements.* Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

**F. Interfund Transfers**

The City may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

**G. Fund Accounting**

Separate funds are established, maintained, and reported by the City. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

*B. 1925 Police Officers' Pension Plan*

*Plan Description*

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

*Funding Policy*

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

*On Behalf Payments*

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

*C. 1937 Firefighters' Pension Plan*

*Plan Description*

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

*Funding Policy*

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

*On Behalf Payments*

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*D. 1977 Police Officers' and Firefighters' Pension and Disability Fund*

*Plan Description*

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy*

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS.

**Note 7. Cash Balance Deficits**

The financial statement contains 12 funds with deficits in cash totaling \$1,283,318. This is a result of funds being set up for reimbursable grants. The reimbursements for expenditures made by the City were not received by December 31, 2015.

**Note 8. INDOT Agreement - Transfer of State Road 25**

On April 20, 2011, the City entered into an agreement with the Indiana Department of Transportation (INDOT) involving the transfer, to the City, of responsibility over maintenance and regulation of the section of S.R. 25 within the City limits. This includes, but is not limited to, the following: all right-of-way and structures, road surface, bridges, snow and ice removal, storm water drainage, mowing, traffic signals and other related signs, outdoor advertising structures, and driveways.

INDOT will compensate the City \$1,250,000 to assist the City in the transfer of responsibility. The City received \$500,000 on October 9, 2013, \$250,000 on September 2, 2014, and \$250,000 on August 31, 2015. The remaining \$250,000 was received in 2016.

CITY OF DELPHI  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. CDBG Funds for Flood Drainage Improvements**

On January 5, 2015, the City was awarded \$1,633,598 in Community Development Block Grant funds under the Disaster Recovery fund from the Indiana Office of Community and Rural Affairs. Construction began on the project for flood drainage improvements within the City limits in the summer of 2016 and will be completed in 2017.

(This page intentionally left blank.)

#### OTHER INFORMATION - UNAUDITED

The City's Annual Financial Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the City's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015

	GENERAL	MVH	LOCAL ROADS AND STREETS	AIRPORT DONATIONS	EDIT	ANIMAL CONTROL	OPERATION PULLOVER
Cash and investments - beginning	\$ 5,145,994	\$ 224,346	\$ 28,425	\$ 4,054	\$ 271,534	\$ 1,224	\$ 231
Receipts:							
Taxes	1,048,478	-	-	-	-	-	-
Licenses and permits	8,241	-	-	-	-	-	-
Intergovernmental receipts	994,077	131,359	16,263	-	143,299	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	3,191	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	280,778	1,300	-	150	747	-	-
Total receipts	<u>2,334,765</u>	<u>132,659</u>	<u>16,263</u>	<u>150</u>	<u>144,046</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	1,272,543	32,475	-	-	21,667	-	-
Supplies	87,428	29,488	-	-	1,531	-	-
Other services and charges	1,846,772	-	-	-	63,906	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	158,302	63,877	17,373	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	195,921	-	-	-	-	-	-
Total disbursements	<u>3,560,966</u>	<u>125,840</u>	<u>17,373</u>	<u>-</u>	<u>87,104</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,226,201)</u>	<u>6,819</u>	<u>(1,110)</u>	<u>150</u>	<u>56,942</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,919,793</u>	<u>\$ 231,165</u>	<u>\$ 27,315</u>	<u>\$ 4,204</u>	<u>\$ 328,476</u>	<u>\$ 1,224</u>	<u>\$ 231</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	SOLID WASTE	HIGHWAY RELINQUISHMENT FUND	COMMUNITY BLIGHT GRANT	TLEO	STELLAR FACADE RETAINAGE FOR KEMNA CONST.	RAINY DAY FUND	LEVY EXCESS FUND
Cash and investments - beginning	\$ 110,435	\$ 741,800	\$ -	\$ 7,198	\$ 17,413	\$ 250,300	\$ 18,858
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	1,565	-	-	-
Intergovernmental receipts	-	250,000	-	-	143,367	-	-
Charges for services	119,958	-	-	835	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	28,509	-	-	259	-	-	-
Total receipts	<u>148,467</u>	<u>250,000</u>	<u>-</u>	<u>2,659</u>	<u>143,367</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	6,198	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	7,800	-	-	-	99,512	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	115,944	-	1,880	5,552	-	-	-
Total disbursements	<u>122,142</u>	<u>7,800</u>	<u>1,880</u>	<u>5,552</u>	<u>-</u>	<u>99,512</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>26,325</u>	<u>242,200</u>	<u>(1,880)</u>	<u>(2,893)</u>	<u>143,367</u>	<u>(99,512)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 136,760</u>	<u>\$ 984,000</u>	<u>\$ (1,880)</u>	<u>\$ 4,305</u>	<u>\$ 160,780</u>	<u>\$ 150,788</u>	<u>\$ 18,858</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	FIRE PROTECTION TERRITORY	CUMULATIVE CAPITAL IMPROV	NON REVERTING PARK FUND	FIRE TERRITORY EQUIPMENT FUND	POLICE PENSION	STELLAR - OWNER OCCUPIED RETAINAGE	CITY COURT
Cash and investments - beginning	\$ 78,228	\$ 11,111	\$ 49,929	\$ 1,252,557	\$ 62,845	\$ 9,782	\$ 1,184
Receipts:							
Taxes	153,103	-	-	56,387	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	7,249	7,266	-	2,473	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	9,739
Utility fees	-	-	-	-	-	-	-
Other receipts	2,004	19,167	7,683	204,774	13,343	-	-
Total receipts	<u>162,356</u>	<u>26,433</u>	<u>7,683</u>	<u>263,634</u>	<u>13,343</u>	<u>-</u>	<u>9,739</u>
Disbursements:							
Personal services	24,159	-	-	-	-	-	-
Supplies	7,063	-	-	-	-	-	-
Other services and charges	58,391	-	15,768	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	42,433	34,167	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	13,236	9,782	9,401
Total disbursements	<u>132,046</u>	<u>34,167</u>	<u>15,768</u>	<u>-</u>	<u>13,236</u>	<u>9,782</u>	<u>9,401</u>
Excess (deficiency) of receipts over disbursements	<u>30,310</u>	<u>(7,734)</u>	<u>(8,085)</u>	<u>263,634</u>	<u>107</u>	<u>(9,782)</u>	<u>338</u>
Cash and investments - ending	<u>\$ 108,538</u>	<u>\$ 3,377</u>	<u>\$ 41,844</u>	<u>\$ 1,516,191</u>	<u>\$ 62,952</u>	<u>\$ -</u>	<u>\$ 1,522</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	RIVERBOAT TAX	STELLAR OPERA HOUSE CONSTRUCTION RETAINAGE	DNR INTERP SITE GRANT	COURT COUNTY SHARE	HOUSING DEVELOPMENT	FLOOD CLEAN UP	SPECIAL PROJECT
Cash and investments - beginning	\$ 78,283	\$ 62,529	\$ 147	\$ -	\$ 18,024	\$ 1,003	\$ 6,608
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	123,224	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	924	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	123,224	-	924	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	54,886	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	52,615	-	924	-	-	-
Total disbursements	54,886	52,615	-	924	-	-	-
Excess (deficiency) of receipts over disbursements	(54,886)	70,609	-	-	-	-	-
Cash and investments - ending	\$ 23,397	\$ 133,138	\$ 147	\$ -	\$ 18,024	\$ 1,003	\$ 6,608

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	SIDEWALK CURB SHARE PROG	HISTORIC TRAIL GRANT	MAIN STREET NON-REVERTING	DARE NON REVERTING	IN-DOOR REC	PARK WABASH HERITAGE FUND	RAILROAD CLEANUP
Cash and investments - beginning	\$ 20,797	\$ 9,994	\$ 4,621	\$ 17	\$ 183	\$ 1,531	\$ 1,045
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 20,797</u>	<u>\$ 9,994</u>	<u>\$ 4,621</u>	<u>\$ 17</u>	<u>\$ 183</u>	<u>\$ 1,531</u>	<u>\$ 1,045</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	FAA GRANT	FAA GRANT AIP 10	FAA GRANT AIP12	SRO - STUDENT RESOURCE OFFICER	HHH WATER	HHH WASTE	FREEDOM BRIDGE
Cash and investments - beginning	\$ 6,273	\$ 2,233	\$ (44,433)	\$ 8,375	\$ (2,058)	\$ (51,284)	\$ (96,541)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	61,290	60,000	-	-	125,053
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	11,044	115,427	-
Total receipts	-	-	61,290	60,000	11,044	115,427	125,053
Disbursements:							
Personal services	-	-	-	44,048	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	51,300	-	8,986	64,143	40,987
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	159	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	7,947	-	-	-
Total disbursements	-	-	51,300	52,154	8,986	64,143	40,987
Excess (deficiency) of receipts over disbursements	-	-	9,990	7,846	2,058	51,284	84,066
Cash and investments - ending	\$ 6,273	\$ 2,233	\$ (34,443)	\$ 16,221	\$ -	\$ -	\$ (12,475)

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	FLOODGATE PROJECT	LEVEE CERTIFICATION	INTER URBAN TRAIL	STELLAR - EXCHANGE - WATER CONTRACT	WATER EXCHANGE - RETAINAGE	SAFE ROUTES - PLANNING	SAFE ROUTES - CONSTRUCTION
Cash and investments - beginning	\$ 96,669	\$ 66,744	\$ 61,239	\$ -	\$ -	\$ -	\$ (1,432)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	429	-	-	4,534	1,432
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	87,839	-	-
Total receipts	-	-	429	-	87,839	4,534	1,432
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	5,770	-	83,258	899,946	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	68,751	-	4,534	-
Total disbursements	5,770	-	83,258	968,697	-	4,534	-
Excess (deficiency) of receipts over disbursements	(5,770)	-	(82,829)	(968,697)	87,839	-	1,432
Cash and investments - ending	\$ 90,899	\$ 66,744	\$ (21,590)	\$ (968,697)	\$ 87,839	\$ -	\$ -

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	AIRPORT ROTARY FUND	PAYROLL	STELLAR PROGRAM MANAGEMENT	STELLAR OWNER OCCUPIED HOUSING	STELLAR - FACADE MASTER PLAN	STELLAR PARKING	GATEWAY - PHASE ONE
Cash and investments - beginning	\$ 66,225	\$ 15,579	\$ -	\$ (13,921)	\$ (84,024)	\$ (6,700)	\$ (85,545)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	33,781	1,357,206	-	87,185
Charges for services	36,960	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	183,364	1,260,293	102,055	-	235,644	6,700	-
Total receipts	<u>220,324</u>	<u>1,260,293</u>	<u>102,055</u>	<u>33,781</u>	<u>1,592,850</u>	<u>6,700</u>	<u>87,185</u>
Disbursements:							
Personal services	-	785,240	-	-	-	-	-
Supplies	19,870	-	-	-	-	-	-
Other services and charges	19,066	-	-	31,220	79,100	-	1,640
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,290,303	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	148,489	477,622	113,556	-	143,367	-	-
Total disbursements	<u>187,425</u>	<u>1,262,862</u>	<u>113,556</u>	<u>31,220</u>	<u>1,512,770</u>	<u>-</u>	<u>1,640</u>
Excess (deficiency) of receipts over disbursements	<u>32,899</u>	<u>(2,569)</u>	<u>(11,501)</u>	<u>2,561</u>	<u>80,080</u>	<u>6,700</u>	<u>85,545</u>
Cash and investments - ending	<u>\$ 99,124</u>	<u>\$ 13,010</u>	<u>\$ (11,501)</u>	<u>\$ (11,360)</u>	<u>\$ (3,944)</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	GATEWAY - PHASE TWO	STREET SCAPES - PHASE ONE	STREET SCAPES - PHASE TWO	STELLAR OPERA HOUSE	SEWAGE OPERATION	SEWAGE SINKING	SEWER CONST. BOND OF 2013
Cash and investments - beginning	\$ (31,904)	\$ (33,090)	\$ (19,806)	\$ (95,713)	\$ 329,115	\$ 6,161	\$ 1,167,947
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	505,027	-	646,361	1,456,404	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	1,311,058	-	-
Other receipts	-	-	-	1,738,515	33,170	6	-
Total receipts	<u>505,027</u>	<u>-</u>	<u>646,361</u>	<u>3,194,919</u>	<u>1,344,228</u>	<u>6</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	226,377	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	532,364	42,115	647,420	240,072	75,305	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	2,887,662	140,427	-	732,817
Utility operating expenses	-	-	-	-	282,689	-	-
Other disbursements	-	-	-	33,589	735,649	-	-
Total disbursements	<u>532,364</u>	<u>42,115</u>	<u>647,420</u>	<u>3,161,323</u>	<u>1,460,447</u>	<u>-</u>	<u>732,817</u>
Excess (deficiency) of receipts over disbursements	<u>(27,337)</u>	<u>(42,115)</u>	<u>(1,059)</u>	<u>33,596</u>	<u>(116,219)</u>	<u>6</u>	<u>(732,817)</u>
Cash and investments - ending	<u>\$ (59,241)</u>	<u>\$ (75,205)</u>	<u>\$ (20,865)</u>	<u>\$ (62,117)</u>	<u>\$ 212,896</u>	<u>\$ 6,167</u>	<u>\$ 435,130</u>

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	SEWER 2013 DEBT SERVICE RESERVE	SEWER SINKING 2013	SEWAGE CAPITAL IMPROVEMENT	WATER OPERATING	CUSTOMER DEPOSIT	WATER DEBT RESERVE	WATER UTILITY CONSTRUCTION
Cash and investments - beginning	\$ 141,000	\$ 29,707	\$ 125,713	\$ 149,736	\$ 54,187	\$ 167,636	\$ 435,562
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	1,353,604	-	-	-
Other receipts	-	56,195	609,832	-	8,950	-	-
Total receipts	-	56,195	609,832	1,353,604	8,950	-	-
Disbursements:							
Personal services	-	-	-	215,329	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	68,956	-	-	-
Debt service - principal and interest	-	76,369	-	-	-	-	-
Capital outlay	-	-	-	41,695	-	-	110,450
Utility operating expenses	-	-	-	509,717	7,460	-	-
Other disbursements	-	-	16,371	351,220	-	-	-
Total disbursements	-	76,369	16,371	1,186,917	7,460	-	110,450
Excess (deficiency) of receipts over disbursements	-	(20,174)	593,461	166,687	1,490	-	(110,450)
Cash and investments - ending	\$ 141,000	\$ 9,533	\$ 719,174	\$ 316,423	\$ 55,677	\$ 167,636	\$ 325,112

CITY OF DELPHI  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015  
 (Continued)

	WATER CONST. BOND OF 2013	WATER 2013 B&I	WATER 2013 DEBT RESERVE	WATER BOND & INTEREST	BOOSTER STATION	Totals
Cash and investments - beginning	\$ 1,659,233	\$ 96,808	\$ 196,000	\$ 157,437	\$ 15,732	\$ 12,981,090
Receipts:						
Taxes	-	-	-	-	-	1,257,968
Licenses and permits	-	-	-	-	-	9,806
Intergovernmental receipts	-	-	-	-	-	6,157,279
Charges for services	-	-	-	-	-	157,753
Fines and forfeits	-	-	-	-	-	13,854
Utility fees	-	-	-	-	2,174	2,666,836
Other receipts	-	87,160	-	2,434,073	-	7,528,981
Total receipts	-	87,160	-	2,434,073	2,174	17,792,477
Disbursements:						
Personal services	-	-	-	-	-	2,628,036
Supplies	-	-	-	-	-	145,380
Other services and charges	-	-	-	-	-	4,983,797
Debt service - principal and interest	-	119,155	-	2,429,141	-	2,624,665
Capital outlay	373,849	-	-	-	-	5,948,400
Utility operating expenses	116,463	-	-	-	-	916,329
Other disbursements	25	-	-	-	-	2,506,375
Total disbursements	490,337	119,155	-	2,429,141	-	19,752,982
Excess (deficiency) of receipts over disbursements	(490,337)	(31,995)	-	4,932	2,174	(1,960,505)
Cash and investments - ending	\$ 1,168,896	\$ 64,813	\$ 196,000	\$ 162,369	\$ 17,906	\$ 11,020,585

CITY OF DELPHI  
SCHEDULE OF LEASES AND DEBT  
For the Year Ended December 31, 2015

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and loans payable	Dump Truck- Pickup Street Department	\$ 18,283	\$ 19,486
Notes and loans payable	T Hangar	<u>495,610</u>	<u>34,027</u>
Total governmental activities		<u>513,893</u>	<u>53,513</u>
Wastewater:			
Revenue bonds	2013 Improvements	<u>1,380,000</u>	<u>96,095</u>
Water:			
Revenue bonds	2013 Improvements	1,905,000	133,713
Revenue bonds	Water improvement plan	<u>2,385,000</u>	<u>85,810</u>
Total Water		<u>4,290,000</u>	<u>219,523</u>
Totals		<u>\$ 6,183,893</u>	<u>\$ 369,131</u>

CITY OF DELPHI  
 SCHEDULE OF CAPITAL ASSETS  
 For the Year Ended December 31, 2015

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 4,914,807
Infrastructure	2,144,522
Buildings	1,791,877
Machinery, equipment, and vehicles	758,277
Total governmental activities	9,609,483
Wastewater:	
Infrastructure	7,530,080
Buildings	1,250,000
Machinery, equipment, and vehicles	18,566
Total Wastewater	8,798,646
Water:	
Infrastructure	1,596,441
Buildings	60,000
Machinery, equipment, and vehicles	1,192,151
Total Water	2,848,592
Total capital assets	\$ 21,256,721

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF DELPHI, CARROLL COUNTY, INDIANA

**Report on Compliance for the Major Federal Program**

We have audited the City of Delphi's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2015. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on the Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2015.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

**Report on Internal Control over Compliance**

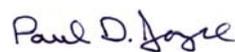
Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2015-002 that we consider to be a material weakness.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

February 27, 2017

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the City. The schedule and notes are presented as intended by the City.

CITY OF DELPHI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<b>Department of Housing and Urban Development</b>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Indiana Office of Community & Rural Affairs	14.228			
Facade Master Plan - 2011 Community Development Block Grant			038-CDBG-11-SUB	\$ -	\$ 118,129
Opera House - 2012 Community Development Block Grant			038-CDBG-12-SUB	-	427,092
Facade Master Plan - 2013 Community Development Block Grant			038-CDBG-13-SUB	-	500,000
Facade Master Plan - Disaster Recovery Assistance Grant			038-DR2-09-100X	-	854,599
Stellar Owner Occupied Housing Rehab/Reconstruction	Indiana Housing & Community Development Authority		DR2SC-012-001	-	33,781
Stellar Opera House Rehab/Reconstruction			DR2SC-012-002	-	984,254
				<u>-</u>	<u>2,917,855</u>
<b>Total - Department of Housing and Urban Development</b>					
<b>Department of Transportation</b>					
Highway Planning and Construction Cluster	Indiana Department of Transportation	20.205			
Highway Planning & Construction					
TE/Bike and Pedestrian Facilities					
Freedom Bridge			A249-10-32741	-	76,422
Interurban Trail			A249-11-320529	-	429
Gateway Phase I			A249-13-320552	-	13,919
Gateway Phase II			A249-13-320553	-	75,266
Transportation Alternatives					
Street Scapes Phase II			A249-13-320551	-	6,275
Highway Planning & Construction					
HHH WATER			NH-071-5(10)	-	32,221
HHH WASTE			NH-071-5(10)	-	94,069
				<u>-</u>	<u>298,601</u>
<b>Total - Highway Planning and Construction Cluster</b>					
<b>Total - Department of Transportation</b>					
				<u>-</u>	<u>298,601</u>
<b>Total federal awards expended</b>				<u>\$ -</u>	<u>\$ 3,216,456</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF DELPHI  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF DELPHI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weakness identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major program:	
Material weakness identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Program and type of auditor's report issued on compliance:

Name of Federal Program or Cluster	Opinion Issued
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	Unmodified
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000	
Auditee qualified as low-risk auditee?	no

**Section II - Financial Statement Findings**

**FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Condition*

The City did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The SEFA, prepared by the Clerk-Treasurer, was not reviewed by knowledgeable staff in order to detect and correct errors.

The federal expenditures reported in the SEFA presented for audit were understated by \$2,633,012. The Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii was understated by \$2,501,912 and the Highway Planning and Construction Cluster was understated by \$131,100. In addition, pass-through identifying numbers were not always correct.

Audit adjustments were proposed, accepted by the City, and made to the SEFA.

CITY OF DELPHI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

2 CFR section 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

CITY OF DELPHI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

*Cause*

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

*Effect*

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition*.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2015-002 - REPORTING**

Federal Agency: Department of Housing and Urban Development

Federal Program: Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Numbers and Years (or Other Identifying Numbers): 038-CDBG-11-SUB,  
038-CDBG-12-SUB,  
038-CDBG-13-SUB,  
038-DR2-09-100X,  
DR2SC-012-001,  
DR2SC-012-002

Pass-Through Entity: Indiana Office of Community & Rural Affairs,  
Indiana Housing & Community Development Authority

*Condition*

An effective internal control system was not in place at the City in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The City relied upon the Grant Administrator to prepare and submit the Semi-Annual Reports. The City did not have controls in place to ensure that the reports were accurate prior to submission.

CITY OF DELPHI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

None of the four reports examined during the audit period were reviewed by the City.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

*Cause*

Management had not developed a system of internal controls that would have segregated key functions.

*Effect*

The failure to establish an effective internal control system placed the City at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the City's management establish controls, including segregation of duties, related to the grant agreement and the Reporting compliance requirement.

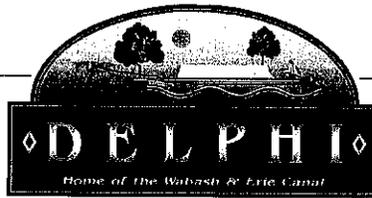
*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

(This page intentionally left blank.)

#### AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the City. The documents are presented as intended by the City.



**SUMMARY SCHEDULE FOR PRIOR AUDIT FINDINGS**

FINDING 2014-001

Original Assigned SBA Audit Report Number: B45388  
Report Period: 1-14-2014 to 12-31-2014  
Contact Person Responsible for Corrective Action: Leanne Aldrich, Clerk Treasurer  
Contact Phone Number: 765-564-2097

Status of Audit Finding: The State of Indiana does not provide the federal/state split of reimbursement funds. Two years ago, the Auditor of the State of Indiana notified each unit they would do this on each payment or as a total at the end of the year. To date, this information has not been provided to the City of Delphi. The financial report is due by 2/28 each year. This unit will work with the grant administrators of each grant for information on federal/split reimbursements. The SEFA, completed by the Clerk-Treasurer, will be reviewed by the bookkeeper and approved by the Mayor.

FINDING 2014-002

Original Assigned SBA Audit Report Number B45388  
Report Period: 1-14-2014 to 12-31-2014  
Pass-Through Entity of Federal Grantor Agency: Indiana Housing & Community Development Authority and Office of Community Rural Affairs  
Contact Person Responsible for Corrective Action: Leanne Aldrich, Clerk-Treasurer  
Contact Phone Number: 765-564-2097

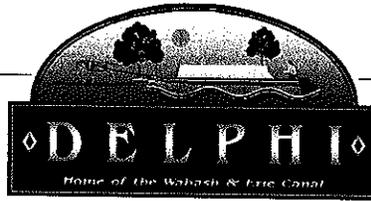
Status of Audit Finding: Forms provided by the third-party grant administrator are used to verify all contractors are following the wage scale requirements. The grant administrator ensures compliance with wage scale requirements. The grant administrator offers a choice of three pay period in each quarter to the City. A city official then verifies the grant administrator is correctly completing their responsibilities.

Leanne Aldrich, Clerk Treasurer

02-06-2017



Clerk-Treasurer  
Leanne Aldrich



201 South Union Street  
Delphi, Indiana 46923  
Phone (765) 564-2097  
Fax (765) 564-3273  
e-mail: leanne@cityofdelphi.org

### CORRECTIVE ACTION PLAN

Contact Person Responsible for Corrective Action: Leanne Aldrich, Clerk Treasurer

Contact Phone Number: 765-564-2097

#### FINDING 2015-001

The Clerk Treasurer will work directly with the bookkeeper in the Clerk's office. All records will be checked by the bookkeeper for accuracy. All data will be confirmed by both individuals. These records would include expenditures, receipts, balances, federal and state payments as well as all identifying numbers and codes applying to each grant. An effort for better communication with grant administrators will be continued.

Anticipated Completion Date: Immediately

#### FINDING 2015-002

The Clerk Treasurer and bookkeeper as well as the Mayor will review the quarterly or semi-annual reports filed in our behalf by the Grant Administrator. Information in our grant binders as well as the information on our software program will be used to verify the accuracy of the reports. Each one of these reports will be initialed and dated.

Anticipated Completion Date: Immediately

*Leanne Aldrich*  
02-27-2017



#### OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.